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**FBI ARRESTS 17 IN ODOMETER FRAUD RING
INVOLVING THOUSANDS OF VEHICLES**

Newark - Joseph Billy Jr., Special Agent in Charge of the New Jersey Office of the Federal Bureau of Investigation (FBI), and United States Attorney Christopher J. Christie, announce that FBI agents today arrested 17 individuals as part of "OPERATION ROLLBACK." The arrests took place early this morning pursuant to criminal complaints filed on March 30, 2004, before United States Magistrate Judge Mark Falk, District of New Jersey, charging each with violation of Title 18, United States Code, Section 2314, transporting in interstate commerce forged or altered securities; and Title 49, United States Code, Sections 32703(2) and 32709(b), disconnecting, resetting, altering an odometer of a motor vehicle intending to change the mileage registered by the odometer.

The defendants are scheduled to make initial appearances today at 2 p.m. before Magistrate Falk in the FRANK R. LAUTENBERG U.S. POST OFFICE and COURTHOUSE in Federal Square in Newark (the "old" courthouse across from the Martin Luther King, Jr. Courthouse.) A news conference will follow the initial appearances at a location to be announced, with FBI Special Agent in Charge Joseph Billy and United States Attorney Christopher Christie.

OPERATION ROLLBACK is a 15-month Criminal Enterprise investigation conducted by the FBI and was predicated upon information received by the Bloomfield Police Department that LYNNE'S AUTO GROUP reported approximately 45 vehicles had their odometers tampered with to reflect a lower mileage. This is known in the automobile industry as "Rolled Back" or "Clocked."

The investigation thus far has revealed that the subjects had purchased more than one thousand vehicles from auto auctions located in several states and had the vehicles brought back to their respective business locations in New Jersey. The vehicles, upon being purchased at the auction, were either transported by the auction company or driven by the drivers hired by the subjects. Subsequent to the vehicle arriving at its destination, if the odometer was analog, the subjects would remove the odometer mechanism and alter the odometer themselves using a small screwdriver type instrument. If the odometer was digital, the vehicle would be taken to PLATINUM AUTO AND GLASS, formerly A and J AUTO LOCK AND GLASS, 6104 16th Avenue, Brooklyn, New York. At PLATINUM AUTO AND GLASS, subjects would use laptop computers with software applications to electronically roll back the odometers to reflect the fraudulent mileage desired.

To complete the fraud scheme, the subjects had the original titles altered so that the miles reported were consistent with the newly created fraudulent odometer reading. Two subjects, designated as "artists" were responsible for the alteration of all titles by scraping the mileage off the original title using a pen knife and acetone, before rewriting the new mileage.

Because the odometers were "clocked" after they were purchased at the auction and prior to arriving at the respective auto sales locations, the used car dealer would pay substantially more for the vehicle due to the fraudulently altered mileage. The investigation, which is continuing, has identified a financial loss to used car dealers of more than \$7.5 million. The ultimate loss is to the consumer who purchases the vehicle by paying a very high retail price for a vehicle which has significantly more miles on it than is represented at time of purchase.

The arrests of these seventeen (17) individuals culminates the first phase of this investigation. The investigation is ongoing and it is anticipated that additional arrests will follow.

"This is yet another reminder that although the FBI is primarily focused on preventing another terrorist attack, we still have a mission related obligation to protect the citizens of New Jersey against significant fraud schemes," states Special Agent in Charge Joseph Billy. "We may never know the full extent of the losses suffered by New Jersey consumers as a result of this fraud. Criminal activity of this type is totally unacceptable."

The following individuals were arrested this morning for their roles in the fraud scheme:

ROBERT FIORELLO, a.k.a. "BOBBY CARS," age 54 , residing at 18 Hardwood Drive, Jackson, New Jersey. FIORELLO was the financier of the following businesses and as the leader of the Criminal Enterprise, directed all activity in this illegal operation;

JPF AUTO SALES, Bloomfield, NJ

SEMI MOTORS, Garfield, NJ

TRIBUTE AUTO SALES, Bloomfield, NJ

MJS AUTO SALES, Bloomfield, NJ

RP AUTO SALES, Keensburg, NJ

BLOOMINGDALE MOTORS, Bloomfield/Bridgeton, NJ

JOSEPH FIORELLO, age 60, residing at 10 81st Street, Ocean City, Maryland. JOSEPH FIORELLO operated under the direction of his brother ROBERT FIORELLO in obtaining licenses and registering companies in his name. JOSEPH FIORELLO also assisted in the day to day operation of the following businesses:

JPF AUTO SALES, Bloomfield, NJ

SEMI MOTORS, Garfield, NJ

TRIBUTE AUTO SALES, Bloomfield, NJ

MJS AUTO SALES, Bloomfield, NJ

RP AUTO SALES, Keensburg, NJ

BLOOMINGDALE MOTORS, Bloomfield/Bridgeton, NJ

RICHARD LEONARD, age 25, residing at 301 West Alexander Avenue, Howell, New Jersey. LEONARD was responsible for the alteration on analogue odometers as well as buying and selling the automobiles.

ROBERT BOLANDER, a.k.a. "BOBBY BUMPERS," age 52, residing at 501 Cypress Point, Toms River, New Jersey. BOLANDER was a salesman and registered buyer for JPF AUTO SALES as well as SEMI MOTORS, TRIBUTE AUTO SALES, and MJS AUTO SALES. BOLANDER also transported the vehicles from the auction.

ROCCO PANZINO, age 34, residing at 34 Pulaski Avenue, Sayerville, New Jersey. PANZINO assisted in the day to day operations of RP AUTO SALES and SEMI MOTORS. PANZINO was also a registered buyer and seller of the altered automobiles.

JOSE PEREZ, a.k.a. "KUBIE," age 34, residing at 47 Woodlot Road, Wayne, New Jersey. PEREZ, who is the son-in-law of ROBERT FIORELLO, operated under FIORELLO's direction in buying, selling, and altering automobiles at RP AUTO SALES, SEMI MOTORS and JPF AUTO SALES. PEREZ also started PRIME LEASING and formed INDUSTRIAL TRUCK AND AUTO SALES with ANTHONY LADUCA due to the profit

potential of the operation. Both PRIME LEASING AND INDUSTRIAL are in Hasbrouck Heights, New Jersey. PEREZ also worked at the locations operated by FIORELLO.

ANTHONY LADUCA II, age 31, residing at The Mill, 260 Main Street, Little Falls, New Jersey. LADUCA was the "artist" who altered the titles to reflect the fraudulent new mileage and is affiliated with INDUSTRIAL TRUCK AND AUTO SALES, Hasbrouck Heights, New Jersey, and LEASE RELEASE, Paterson, New Jersey. LADUCA also performed the majority of the title alterations for ROBERT FIORELLO.

JOHNATHAN SORGE, age 35, 34 Brown Court, Riverdale, New Jersey. SORGE operated under the direction of ROBERT FIORELLO, LADUCA, and PEREZ as a buyer, seller, and transporter of altered automobiles.

CARMINE MARCHITELLO, age 59, residing at 7 Greenwood Court, Livingston, New Jersey. MARCHITELLO, owned and operated CMJ AUTO SALES and used that business as well as HOOPER MOTORS, HOF'S AUTO SALES, and INDUSTRIAL TRUCK AND AUTO SALES to commit odometer fraud.

RAYMOND CLARK, age 38, residing at 190 N. Livingston Avenue, Livingston, New Jersey. CLARK was responsible for altering the odometer mechanism and for providing counterfeit paperwork during the financial transactions.

VINCENT T. SPINA, age 41, residing at 72 Hill Street, Belleville, New Jersey. SPINA operated with other subjects involved but also financed and profited on his own, outside the organization. SPINA, who also served as an "artist" altering titles, was affiliated with

SCHUMATTI ENTERPRISES, MANHATTAN AUTO SALES, Jersey City, New Jersey, and KING OF THE ROAD AUTO SALES in New York.

NICHOLAS LABRUNO, age 39, residing at 83 Wilson Street, Nutley, New Jersey. LABRUNO operated with all the subjects as well as financed his own illegal operation rolling back the odometers and selling the vehicles. LABRUNO was affiliated with SCHUMATTI ENTERPRISES, MANHATTAN AUTO SALES, and KING OF THE ROAD AUTO SALES.

CHARLIE THOMPSON, age 37, residing at 160 B Street, Brick Town, New Jersey. THOMPSON operated as an independent salesman of the altered vehicles at HOOPER MOTORS, HOF'S AUTO SALES, CMJ AUTO SALES, SEMI AUTO SALES, TRIBUTE AUTO SALES, and SCHUMATTI ENTERPRISES.

JOSEPH LUCANIA, age 43, residing at 91 Croft Lane, Smithtown, New York. LUCANIA sold the altered vehicles on consignment for ROBERT FIORELLO in New York and is also affiliated with SEMI MOTORS and RP AUTO SALES.

ANTHONY MOSCATO, age 41, residing at 97 Bayview Lane, Staten Island, New York. MOSCATO is the owner and operator of PLATINUM AUTO LOCK AND GLASS, formerly A and J AUTO LOCK AND GLASS, 6104 16th Avenue, Brooklyn, New York where odometers were altered under his direction. MOSCATO would receive a fee from FIORELLO for each vehicle he altered.

LOUIS J. MOSCATO, age 50, residing at 599 East 85th Street, Brooklyn, New York. LOUIS MOSCATO also participated in the electronic altering of the odometers with this brother ANTHONY MOSCATO.

ALESANDRO FISHETTI, age 46, residing at 279 Bay 11th Street, Brooklyn, New York. FISHETTI was the primary user of the software package to illegally alter the odometer of the vehicles at A and J AUTO LOCK AND GLASS, currently PLATINUM AUTO LOCK AND GLASS.

The FBI asks that if anyone has purchased a vehicle, which they believe may have had the odometer tampered with or "rolled back", to please contact the dealership or the individual from which the vehicle was purchased.

SAC Joseph Billy would like to specially thank the New Jersey Motor Vehicle Commission, the New York Department of Motor Vehicles, the Suffolk County District Attorney's Office and the Essex County Sheriff's Office, who participated in this investigation.

